



C.L. "Butch" Otter, Governor

Megan Ronk, Director

**Economic Advisory Council Meeting
Thursday, June 23, 2016**

Idaho Department of Commerce
700 West State Street, Boise – J.R. Williams Building

Members Present Via Phone:

Steve Meyer, *Region I*
Robin Woods, *Region II*
John Craner, *Region IV*
Arlen Wittrock, *Region V*
Gina Knudson, *Region VII*

Members Present:

John Craner, *Region IV*
Margie Watson, *At-Large*

Members Absent:

Mick Wiskerchen, *Region III*

Commerce Staff Present:

Megan Ronk, *Director*
Bobbi-Jo Meuleman, *Chief Operations Officer*
Susan Davidson, *Program Manager*
Audra Fink, *Administrative Assistant*
Eric Forsch, *Business Attraction Specialist*
Kallen Hayes, *Business Attraction Specialist*
Cindy Lee, *Grants and Contracts Manager*

Welcome and Introductions

Chairman Arlen Wittrock called the meeting to order at 2:02 p.m.

Council Vote on Approval of Minutes:

Chairman Wittrock noted that the minutes for the May 26, 2016 Economic Advisory Council (EAC) meeting had been distributed and if there are no corrections he would entertain a motion to approve the minutes as distributed.

Moved by: Robin Woods

Seconded by: Margie Watson

All in favor. No discussion.

Motion approved.

Motion to Move to Executive Session

Chairman Wittrock announced the Council will review the details of two applications for refundable tax credit under the Idaho Reimbursement Incentive Act that has been received by the Director and submitted to this Council for review. **The application contains records and information exempt from public disclosure under Idaho Code §§ 9-340D(6) and 67-4708. Chairman Wittrock entertained a motion under Idaho Code § 67-2345(1)(d) to go into executive session to review the application.**

Margie Watson moved to enter into executive session. Robin Woods seconded.

Roll call vote to move into executive session:

John Craner – Aye
Gina Knudson - Aye
Steve Meyer - Aye
Margie Watson – Aye
Arlen Wittrock - Aye
Robin Woods – Aye
Mark Young - Aye

With over two-thirds majority in favor of moving into executive session, the Council moved into executive session at 2:05 p.m.

Return to Public Session

Chairman Wittrock noted that the Council returned to the public session at 2:46 p.m.

Chairman Wittrock indicated the Council:

1. Reviewed and discussed the applications submitted for refundable tax credits; and
2. Closed the Executive Session after discussions were concluded. The motion to close the Executive Session was made by Margie Watson, seconded by Mark Young.

Review of Tax Reimbursement Incentive for PROJECT CIRCUIT

Chairman Wittrock entertained a motion for Project Circuit.

Motion:

In the matter of the application for PROJECT CIRCUIT, I move that the Council approve the application and instruct the Director to enter into an agreement with PROJECT CIRCUIT upon the following terms:

- A post-performance refundable tax credit which represents 26% of new state revenue for 15 years.
- Tax credit certificate issued post-performance upon review and verification by Commerce.
- No less than 50 new jobs in Ada or Canyon County, or 60% of the total annual projected new jobs, whichever is greater.
- Average annual wages must equal or exceed the average county wage of \$43,028.
- Allow for a maximum two-year construction phase during the term of the agreement.
- Company must maintain operations in Idaho for the term of the agreement.
- Subject to final project location selection.
- Subject to confirmation of community match.
- Any additional terms deemed necessary by the Director not otherwise conflicting with the above conditions.

The motion was made by John Craner, seconded by Robin Woods.

Roll call vote to approve the TRI application for Project Circuit:

John Craner – Aye
Gina Knudson - Aye
Steve Meyer - Aye
Margie Watson – Aye
Arlen Wittrock - Aye
Robin Woods – Aye
Mark Young - Aye

With a unanimous vote, the Tax Reimbursement Incentive of **26% for fifteen (15) years for Project Circuit was approved** and the Council asked the Director to proceed in negotiating the final contract in coordination with Commerce's Deputy Attorney General.

The company name will be announced when the company makes a formal announcement.

Review of Tax Reimbursement Incentive for PROJECT FLOW 47

Chairman Wittrock entertained a motion for Project Flow 47.

Motion:

In the matter of the application for PROJECT FLOW 47, I move that the Council request additional information from the Director with regard to the following:

- Updated financial information including a 5 year financial projection
- A discussion between the Director and the company regarding the completeness of their application

The council will reconvene after the Director and Commerce team believe the application is complete and there is a viable plan to move forward.

The motion was made by Margie Watson, seconded by Steve Meyer.

Roll call vote to request additional information regarding the TRI application for Project Flow 47:

John Craner – Aye
Gina Knudson - Aye
Steve Meyer - Aye
Margie Watson – Aye
Arlen Wittrock - Aye
Robin Woods – Aye
Mark Young – Aye

Final Thoughts

Director Megan Ronk gave an overview of the SelectUSA Investment Summit in Washington, D.C. June 19-21. The summit was directed toward making contacts and bringing additional foreign direct investment to Idaho.

Governor Otter and the team from Idaho met with companies representing more than 30 countries. The summit was a success and Idaho will continue to have a yearly presence.

The next Economic Advisory Council meeting will be in Idaho Falls July 28-29.

Conclusion

Margie Watson moved to close the meeting. Steve Meyer seconded.

All ayes – motion approved.

Chairman Wittrock adjourned the meeting at 3:00 p.m.